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IN THE

Supreme Court of the United States

OCTOBER TERM, 1990

HAINES AND COMPANY, INC.,
HAINES CRISS + CROSS PUBLISHERS, INC.
WILLIAM K. HAINES, SR., and
WILLIAM K. HAINES, JR.,
Petitioners,

v.

ILLINOIS BELL TELEPHONE COMPANY,
Respondent.

On Petition for a Writ of Certiorari to the United States Court of Appeals for the Seventh Circuit

BRIEF OF THE INTERNATIONAL ASSOCIATION OF CROSS REFERENCE DIRECTORY PUBLISHERS AS *AMICUS CURIAE* IN SUPPORT OF PETITIONERS HAINES AND COMPANY, INC. ET AL

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QUESTIONS PRESENTED

1. Does the Copyright Act preclude the use of a copyrighted alphabetical telephone directory as one source for names, addresses and phone numbers for a noncompeting cross-reference directory?

2. Where the act of copying from a copyrighted factual compilation is proven, must substantial similarity of the expression of those compiled facts, i.e., the selection, coordination and arrangement thereof, also be proven to establish infringement of the copyright?

3. Does the absence of substantial similarity in expression between a copyrighted alphabetical telephone directory and a noncompeting cross-reference directory preclude a finding that the cross-reference directory infringes the copyright in the alphabetical telephone directory?

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INTEREST OF THE *AMICUS CURIAE*[1]

The International Association of Cross Reference Directory Publishers ("IACRDP") is a trade association of eleven independent publishers of "cross-reference" directories, one of which is Petitioner Haines and Company, Inc. As explained below, cross-reference directories are not substitutes for, or competitive with, alphabetical telephone directories published by telephone companies such as Respondent Illinois Bell Telephone Company ("Illinois Bell") and by independent telephone directory publishers.

[1] The written consents of Petitioner and Respondent to the filing of this brief have been filed with the Clerk of the Court.

The decision of the lower courts that Illinois Bell's copyright in an alphabetical telephone directory was infringed by Petitioner Haines' cross-reference directory, notwithstanding substantial differences in the form of expression of the public domain facts used in the respective directories, is therefore of vital concern to the members of *amicus* IACRDP. This issue is equally of concern to publishers of other types of directories who utilize copyrighted compilations of unprotectable public domain facts as a source of information to prepare non-competing works which fulfill needs which the prior copyrighted work cannot satisfy.

The present case presents similar but broader legal and policy issues to those which this Court will address in *Feist Publications, Inc. v. Rural Telephone Service Company, Inc.*, No. 89-1909, wherein *certiorari* was granted October 1, 1990. There, the issue is whether a copyright in an alphabetical telephone directory prevents "access to that directory as a source of names and numbers to compile a *competing* directory" (emphasis added). Here, the noncompeting and functionally dissimilar nature of Petitioner's cross-reference directories demonstrates more starkly that the analyses of the lower courts both here and in *Feist* were inconsistent with the copyright statute, its legislative history, precedents of this Court and public policy.

Approval by this Court of the infringement tests applied by the lower courts could be devastating to independent cross-reference directory publishers, as well as detrimental to the public interest. Even if the copyright owners elected to license these publishers rather than enforce their right to enjoin, the profit margins in the cross-reference directory industry would not support license fees at the level demanded, for example, by Illinois Bell. The phone companies would have a monopoly, resulting in higher prices in selected larger markets and no cross-reference directory service at all in most smaller markets.

The disappearance of these directories from smaller communities now served by independent cross reference directory publishers is likely because of the historic pattern of limited participation by the public telephone companies in the cross-

reference directory industry. The multi-state independent publishers can publish in the marginally profitable smaller communities because they maintain staffs large enough to handle the larger and more profitable jobs when required. The public telephone companies, however, which are confined to their own territories, are not likely to have staffs adequate for such tasks except in the larger metropolitan areas. The public benefit of access to such directories by emergency services, business and other public institutions in smaller communities would be lost.

Public telephone companies can legitimately claim no harm to their compilation efforts because they could, in proper circumstances, continue to enforce their rights against publishers of competing jointly bound white and yellow page directories. Such directories employ the alphabetical arrangement of the telephone companies' white pages, so that an infringement might be found if the overriding "substantial similarity" test were satisfied.

DESCRIPTION OF THE PRODUCTS OF THE *AMICUS CURIAE*

A. Cross-Reference Directories Employ An Entirely Different Form Of Expression Than That Found In Alphabetical Telephone Directories

To appreciate the extent and consequences of the erroneous infringement tests applied by the lower courts here and in *Feist*, it is useful to highlight the differences between the white pages section of a conventional alphabetically arranged telephone directory and a cross-reference directory. Cross-reference directories do not contain an alphabetically arranged list of telephone subscribers. Instead, they contain two basic sections: a street address section, which arranges the facts by *street address*, and a telephone numerical section, which arranges the facts by *phone number*. Exemplary excerpts from Petitioners' cross-reference directory are reproduced at pages 5-6 of their Petition.

These examples show that cross-reference directories do not and cannot compete with alphabetical telephone directories. An alphabetical directory cannot be used to learn the name of a person or business located at a known address, or to whom a known phone number belongs. Conversely, a cross-reference directory cannot be used to obtain an address or phone number of a known individual or business.

B. Cross-Reference Directories Perform Unique Functions

Cross-reference directories have been published for more than seventy years. At least 600 such directories are published annually by independent cross-reference directory publishers. Virtually every community with more than 20,000 businesses and households is served by these directories. The eleven IACRDP members publish directories serving forty-eight states, the District of Columbia, and three Canadian provinces.

Cross-reference directories contain no advertising. Distribution is too limited to offer any potential for advertising revenue. The costs of compilation and publication are borne by directory purchasers, typically $50 to $150 except for very large metropolitan areas where a multi-volume set may cost several hundred dollars.

Cross-reference directories are widely used by government, business and public service organizations. Major users include law enforcement agencies, fire departments, medical and emergency services, political campaigns, voter registration offices, religious organizations, charities, the media, businesses, attorneys, schools, salespeople, public utilities, banks, collection agencies and even Bell System telephone companies.

Smaller community emergency services must rely on their copy of a cross-reference directory to supplement the often incomplete location description supplied by the emergency caller. For small local businesses (e.g., realtors and household services), cross-reference directories provide an inexpensive way to target an audience in their own territory. Envelopes or flyers can be

addressed by a secretary, or occupants called directly on the telephone, without the expense of an advertising agency-prepared direct mail campaign. The consumer also benefits because the more efficiently targeted advertising costs less and results in lower prices of the goods or services advertised.

C. The Compilation Of A Cross-Reference Directory Involves Several Sources

A cross-reference directory is not merely the result of copying and rearranging the data from an alphabetical telephone directory. Many additional sources are required to produce a cross-reference directory. All street addresses, zip codes, business and residential notations, community names, neighborhood names, apartment notations, street corner designations, and length of occupation of an address are derived independently of any telephone directory.

Cross-reference directory publishers must and do use telephone directories as one of their research sources for their annual compilation process. There is no other source for names and telephone numbers. The only alternative to the use of alphabetical telephone directories would be a prohibitively expensive annual door-to-door canvass of the entire covered territory.

SUMMARY OF ARGUMENT

The Copyright Act authorizes copyrights for compilations of pre-existing facts only when they are "selected, coordinated or arranged in such a way that the resulting work as a whole constitutes an original work of authorship" (17 U.S.C. 101). The Act expressly precludes "any exclusive right in the pre-existing material" (17 U.S.C. 103b).

At issue here are copyrighted "white pages" telephone directories, wherein pre-existing facts are arranged as an alphabetical list of telephone subscribers, followed by their respective addresses and telephone numbers. The individual facts are not part of a confidential customer list of the telephone company; they are

in the public domain. The telephone companies are required by law to publish and distribute such facts to their customers.

Cross-reference directories, such as published by *amicus* IACRDP's members, arrange such facts in an entirely different way: (1) in numerical order by street address, and (2) in numerical order by telephone number. Thus, cross-reference directory publishers do not use the *expression* of those facts found in the telephone companies' white pages. They create independent works using "pre-existing material," as authorized by the Copyright Act.

The endorsement by the lower courts of the widely rejected "industrious collection" or "sweat of the brow" theory, by which Haines would be required to conduct its own canvass to compile the public domain facts contained in Illinois Bell's directory, ignores the second and third essential conjunctive elements for a copyrightable compilation. Not only must there be a collection and assembling of pre-existing data; there must also be a selection, coordination or arrangement which warrants the resulting work being considered "an original work of authorship" (15 USC 101). Without an *expression* of such data which satisfies those two statutory elements, a compilation is not copyrightable. The effort of the first compiler is not enough. Requiring the second compiler to conduct a canvass to assemble the same public domain facts is legally erroneous.

The Copyright Act, precedents of this Court and underlying public policy all require that copyrights in factual compilations such as alphabetical telephone directories be strictly confined to the minimally creative expression embodied in such alphabetical arrangement of the public domain facts, an expression not used in cross-reference directories.

The lower courts erred in omitting from the test of copyright infringement the determination of substantial similarity between the *expression* of the compiled facts (*i.e.*, the selection, coordination and arrangement thereof) employed in the copyrighted and accused works. Where the similarity is only in the uncopyright-

able facts, and not in the expression thereof, the similarity is not "substantial" and there is no infringement.

ARGUMENT

A. The Scope Of Copyright Protection In Factual Compilations Is Limited By Statute

The copyright law, like the patent law, finds its origin and purpose in the Constitutional grant to Congress of the power "to promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries" (U.S. Constitution, Art. I, §8).

The 1976 Copyright Act provides copyright protection for "original works of authorship" (17 U.S.C. 102a), including compilations, which the Act defines in this way:

> A "compilation" is a work formed by the collection and assembling of pre-existing materials or of data that are *selected, coordinated or arranged* in such a way that the resulting work as a whole constitutes an original work of authorship.

17 U.S.C. 101, emphasis added.

In addition to the requirement of originality, the Act contains two explicit restrictions on the scope of protection afforded by a copyright, the first general and the second specific to compilations:

> In no case does copyright protection for an original work of authorship extend to any idea, procedure, process, system, method of operation, concept, principle or discovery, regardless of the form in which it is described, explained, illustrated, or embodied in such work.

17 U.S.C. 102b.

* * *

> The copyright in a compilation or derivative work extends only to the material contributed by the author of such work, as distinguished from the pre-existing material employed in the work, and does not imply any exclusive right in the pre-existing material. . .

17 U.S.C. 103b.

While compilations of fact are copyrightable (17 U.S.C. 101), the copyright does not extend to the facts disclosed. Only the expression of those facts is protected by the copyright (17 U.S.C. 102b, 103b). Where, as here, the compilation is a telephone directory, the pre-existing material or data which the statute explicitly excludes from protection are the individual listings of name, address and telephone number. The telephone companies, which typically obtain the data from their phone service customers when they apply for such service, are required by law to publish such data in an alphabetical directory.[2] The expression employed in a telephone directory is minimal: the selection process is virtually non-existent, because all numbers which the customers wish to be published are listed; the coordination and arrangement is the age-old and indispensable alphabetical arrangement.

The intent of the scope-restricting provisions of the Copyright Act is found in the language of the Senate Judiciary Committee Report:

> Copyright does not preclude others from using the ideas or information revealed by the author's work. It pertains to the literary, musical, graphic or artistic form in which the author expressed his intellectual concepts.

S. Rep. No. 94-473, p. 54 (1975) and H.R. Rep. No. 94-1476, pp. 56-57.

This distinction between unprotectable facts and protectable form or expression has been succinctly summarized by this Court:

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[2] Appendix to Petition, p.2a.

> [N]o author may copyright facts or ideas. §102. The copyright is limited to those aspects of the work —termed "expression"— that display the stamp of the author's originality.

Harper & Row, Publishers v. Nation Enterprises, 471 U.S. 531, 547 (1985).

The Court stated the corollary principle, i.e., the subsequent user's *right to copy facts,* this way:

> Yet copyright does not prevent subsequent users from copying from a prior author's work those constituent elements that are not original — for example, quotations borrowed under the rubric of fair use from other copyrighted works, *facts or materials in the public domain* — as long as such use does not unfairly appropriate the author's original contributions.

Id. at 548 (emphasis added).

Similarly, a subsequent author has "an unfettered right to use any factual information" revealed in a work. *Id.* at 557. The copyright statute thus reconciles the interests of the prior author with those of subsequent authors and the public.

A cross-reference directory does not copy the telephone company's "original contribution" or the "expression" (as this Court put it in *Harper & Row*), or the "form" (as the Senate Report put it), or the "select[ion], coordinat[ion] or arrange[ment]" (as 17 U.S.C. 101 puts it).

The *Constitutional* right to copy uncopyrightable material (here, the facts within the telephone directory listings) was recently reiterated by this Court. Quoting from *Compco Corp. v. Day-Brite Lighting,* 376 U.S. 234, 237 (1964), the Court again held that a state may not "interfere with the Federal policy, found in Art. I, §8, cl. 8, of the Constitution and in the implementing Federal statutes, of allowing free access to copy whatever the Federal patent and copyright laws leave in the public domain." *Bonito Boats v. Thunder Craft Boats,* 109 S. Ct. 971, 979 (1989).

B. The Effort of Collecting and Assembling The Compiled Facts Is Not Protectable By Copyright.

The conclusion of the Court of Appeals for the Seventh Circuit that Haines must conduct its own canvass to compile public domain facts contained in IBT's alphabetical directories[3] is contrary to the copyright statute and to the weight of modern cases and scholarly commentary.

By according protection for the compiler's "industrious collection" or "sweat of the brow", without consideration to whether Petitioner had copied any protectable expression which may exist in Respondent's copyrighted directories, the decision below disregarded and negated the statutory authority for copyrights in factual compilations. The "collection" step is only one of three conjunctive elements of the statutory definition of a copyrightable compilation. Reiterating that definition (with numbers added):

> A "compliation" is a work formed (1) by the *collection and assembling* of pre-existing materials or of data (2) that are *selected, coordinated or arrranged* in such a way (3) that the resulting work as a whole constitutes an *original work of authorship.*

17 USC 101, emphasis added.

Requiring Petitioner to conduct its own canvass before it can use the public domain facts and express them in its own distinctive arrangement further violates the statute's limiting directive that a copyright in a compilation "does not imply any exclusive right in the pre-existing material" (17 U.S.C. 103b). *See* discussion of §102b and 103b and this Court's *Harper & Row* decision at pp. 7-9, *supra,*).

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[3] The Court quoted with approval its own prior *Rockford Map* holding that, "Everyone must do the same basic work, the same industrious collection." Appendix to the Petition herein, p. 6a.

The *Leon* case,[4] formerly cited as support for the widely discredited "sweat of the brow" or "industrious collection" theory, has been rejected by a more recent panel of the Court which authored it:

> In addition, to the extent *Leon* suggests that research or labor is protectable, later cases have rejected that theory [citations omitted].

Worth v. Selchow & Righter Co., 827 F.2d 569, 573 (9th Cir. 1987).

Quoting a Second Circuit opinion[5], the Court continued:

> We . . . cannot subscribe to the view that an author is absolutely precluded from saving time and effort by referring to and relying upon prior published material . . . It is just such wasted effort that the proscription against the copyright of ideas and facts, and to a lesser extent the privilege of fair use, are designed to prevent.

Ibid. See also, Narell v. Freeman, 872 F.2d 907 (9th Cir. 1989).

Other Courts of Appeal have rejected as irrelevant to copyright issues the amount of effort expended by the initial compiler:

> The statute thus requires that copyrightability not be determined by the amount of effort the author expends, but rather by the nature of the final result. To grant copyright protection based merely on the "sweat of the author's brow" would risk putting large areas of factual research material off limits and threaten the public's unrestrained access to information.

Financial Information, Inc. v. Moody's Investor Service, Inc., 808 F.2d 204, 207 (2nd Cir. 1986), *cert. denied* 484 U.S. 820 (1987).

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[4] *Leon v. Pacific Tel. & Tel. Co.*, 91 F.2d 484 (9th Cir. 1937).

[5] *Rosement Enterprises, Inc. v. Random House, Inc.*, 366 F.2d 303, 310 (2d Cir. 1966), *cert. denied* 385 U.S. 1009 (1967). *See also, Hoehling v. Universal City Studios, Inc.*, 618 F.2d 972, 979 (2nd Cir. 1980), *cert. denied* 449 U.S. 841 (1980).

The Fifth Circuit Court of Appeals has applied these standards to directories:

> A copyright in a directory, however, is properly viewed as resting on the originality of the selection and arrangement of the factual material, rather than on the industriousness of the efforts to develop the information. See *Nimmer, supra,* at §3.04. Copyright protection does not extend to the facts themselves, and the mere use of the information contained in a directory without a substantial copying of the format does not constitute infringement.

Miller v. Universal City Studios, Inc., 650 F.2d 1365, 1369-70 (5th Cir. 1981).

> The valuable distinction in copyright law between facts and the expression of facts cannot be maintained if research is held to be copyrightable. There is no rational basis for distinguishing between facts and the research involved in obtaining facts. To hold that research is copyrightable is no more or no less than to hold that the facts discovered as a result of research are entitled to copyright protection.

Id. at 1372. *See also, Southern Bell Telephone & Telegraph Co. v. Associated Telephone Directory Publishers,* 756 F.2d 801, 809-10 (11th Cir. 1985). *Contra, Hutchinson Telephone Co. v. Fronteer Directory Co.,* 770 F.2d 128 (8th Cir. 1985); *Rural Telephone Service Co., Inc., v. Feist Publications, Inc.*, 663 F. Supp 214 (D. Kansas 1987), *aff'd without op.* No. 88-1679 (10th Cir. March 8, 1990), *cert. granted,* No. 89-1909 (Oct. 1, 1990).

As cited in *Miller,* Nimmer concurs in the view that copyright protection is inappropriate for a research effort which fails to satisfy the "writings" of an "author" standard of the Constitution and the Copyright Act:

> But to accord copyright protection on this basis alone [i.e., the "sweat of the author's brow"] distorts basic copyright principles in that it creates a monopoly in public domain

> materials without the necessary justification of protecting and encouraging the creation of "writings" by "authors".

1 Nimmer on Copyright, §3.04, p. 3-20.2 (1990) (hereinafter Nimmer).

> The formulation of an "expression" is clearly the very essence of the authorship process. The discovery of a fact, regardless of the quantity of labor and expense, is simply not the work of an author.

Nimmer §2.11[E]; p. 2-169. *See also*, Patry, Latman's *The Copyright Law*, p. 64 (6th Ed. 1986) ("Extending copyright protection to labor *qua* labor would violate the Constitution").

The rejection of the "sweat of the brow" basis for copyright protection is compelled by the statutory restrictions against extension of copyright to ideas, discoveries and other types of preexisting material (17 U.S.C. 102b and 103b, *supra*), and by the compelling policy reasons for permitting the copying of facts and dissemination of information, as enunciated by this Court in *Harper & Row, supra*,.

C. Sound Policy Reasons Support The Statutory Right To Copy Facts

Compelling policy reasons support this statutory license to copy and disseminate facts from copyrighted factual compilations. These reasons were well stated by Professor Gorman in a scholarly article quoted with approval by this Court in *Harper & Row*, 471 U.S. at 563. He observed:

> Our law, as reflected in the terms of our copyright statutes and the language of our Courts, emphasizes the greater need to disseminate the contents of fact works in contrast to the contents of works of artistic or literary fancy.

Gorman, *Fact or Fancy? The Implications for Copyright*, 29 J. Copyright Society 560, 561 (1982).

* * *

> [E]ven within the field of fact works, there are gradations as to the relative proportion of fact and fancy. One may move from sparsely embellished maps and directories to elegantly written biography. The extent to which one must permit expressive language to be copied, in order to assure dissemination of the underlying facts, will thus vary from case to case.

Id. at 563.

Gorman listed several reasons for affording greater freedom to copy factual information than fanciful or literary expression: (1) public interest in access to facts; (2) the expression or presentation of facts is often "dictated by and inseparable from the underlying information", with maps and directories being the best examples; (3) commentary on political, social and historical facts as fostered by First Amendment and fair use considerations; and (4) copyright is intended to protect literary or artistic expression, rather than the labor in discovering facts. *Id.* at 562.

Professor Gorman believes only limited scope is warranted for copyrights in directories:

> Because the underlying facts in the terse and exhaustive directory are in the public domain and because the expressive variations are so limited, the copyright should properly be a "thin" one (as with maps), lest the monopoly unduly hinder the dissemination of information in the public interest. *Even modest departures from the form of such a streamlined copyrighted compilation, or new contributions and revisions, should presumably warrant a finding of non-infringement.*

Id. at 571 (emphasis added).

Of similar mind is noted copyright authority Melville Nimmer, whose widely known treatise, Nimmer on Copyright, was cited fifteen times by this Court in the *Harper & Row* majority opinion. In his view, one who labors to bring to light obscure public domain material has performed a socially useful service,

but that activity alone does not qualify as the "writing" of an "author" under the Constitution. He continues:

> The situation is quite different with respect to an original selection or arrangement of such public domain materials. Such selection or arrangement may in itself constitute an original contribution of authorship and should be protectable against appropriation under copyright principles. *However, the fact that an author has made such an original contribution is no basis for protecting the public domain materials per se if the original selection or arrangement is not copied.*

1 Nimmer §3.04, at p. 3-20.2 (1990) (emphasis added).

As Professor Gorman observed, the presentation of facts is often "dictated by and inseparable from the underlying information" (29 J. Copyright Society at 562). To assure dissemination of the underlying facts in terse directories, he advocated a finding of non-infringement for "even modest departures from the form of such a streamlined copyrighted compilation." This approach has been followed by the Courts:

> Factual works are different. Subsequent authors wishing to express the ideas contained in a factual work often can choose from only a narrow range of expression . . . Therefore, similarity of expression may have to amount to verbatim reproduction or very close paraphrasing before a factual work will be deemed infringed.

Landsberg v. Scrabble Crossword Game Players, Inc., 736 F.2d 485, 488 (9th Cir. 1984), *cert. denied*, 469 U.S. 1037 (1984).

Accord, Sid & Marty Krofft Television Productions v. McDonald's Corp., 562 F.2d 1157, 1168 (9th Cir. 1977) ("The idea and expression will coincide when the expression provides nothing new or additional over the idea."); *Morrissey v. Proctor & Gamble*, 379 F.2d 675, 678-79 (1st Cir. 1967) (protection "could exhaust all possibilities of future use of the substance"); *Affiliated Hospital Products, Inc. v. Merdel Game Mfg. Co*, 513 F.2d 1183,

1188 (2d Cir. 1975) (protection on game rule book would impermissibly extend protection to the public domain game).

Cross-reference directories do not use the alphabetical form of expression employed in telephone directories. They use only the public domain facts, which are neither owned by the telephone companies nor protected by their directory copyrights. There is no other way to convey such facts except by repeating them, which cross-reference directories do in an entirely different arrangement and expression. Under the statute and the precedents, these acts do not constitute copyright infringement.

Citing the information/form dichotomy (or "idea/expression" as it is more frequently described) expressed in the Congressional Reports (quoted at p. 11, *supra*), Justice Brennan concluded that:

> Congress made the affirmative choice that the copyright laws should apply in this way . . . This distinction [i.e., information/form] is at the essence of copyright . . . To insure the progress of arts and sciences and the integrity of First Amendment values, ideas and information must not be freighted with claims of proprietary right.

Harper & Row, 471 U.S. at 589-90 (dissenting).

Were this Court to conclude that the scope of protection of a copyrighted alphabetical telephone directory extends to an entirely different expression of the compiled facts, such as in a cross-reference directory, then these policies of promoting dissemination of information in the public interest, as intended by the Constitution and commented upon by Professor Gorman and Justice Brennan, would be severely inhibited. As has been described, cross-reference directories provide valuable and otherwise unavailable resources and benefits to government, business and the public. Such works neither compete with nor diminish the need for alphabetical telephone directories. They impair no legitimate interest of the copyright owner.

Because cross-reference directories are non-competing with and incomparable to alphabetical telephone directories, their creation should be encouraged in accordance with the Constitutional purpose of promoting progress.

> The world goes ahead because each of us builds on the work of our predecessors. "A dwarf standing on the shoulders of a giant can see farther than the giant himself."

Chafee, *Reflections on the Law of Copyright*, 45 Colum.L.Rev. 503, 511 (1945), quoted in *Sony Corp. v. Universal City Studios*, 464 U.S. 417, 469, n. 28 (1984) (dissent).

D. The Lower Courts Applied An Erroneous And Incomplete Test For Infringement

The lower courts erred in concluding that proof of *the act* of copying obviated the requirement of applying the "substantial similarity" test to determine whether *the nature and extent* of the copying was an infringement. That is, while the act of copying may be proven either directly (by admission) or circumstantially (by proving access to the copyrighted work and substantial similarity between the copyrighted and accused works), the "substantial similarity" test must *always* be applied at the next level of analysis, *i.e.*, to determine whether that which was copied was substantial enough in both quantity and substance to constitute copyright infringement.

As the Court of Appeals for the Third Circuit has noted, "Substantial similarity to show that the original work has been copied is not the same as substantial similarity to prove infringement. . . . [D]issection and expert testimony in the former setting are proper but are irrelevant when the issue turns to *unlawful* appropriation." *Universal Athletic Sales Co. v. Salkeld*, 511 F.2d. 904, 907 (3rd Cir. 1975), *cert. denied*, 423 U.S. 863 (1975) (emphasis added).

The failure to recognize that there *is* a next level of analysis to *every* infringement issue may have resulted from reliance on a streamlined two-part statement of the infringement test which

appears in some cases and in Nimmer's series on copyright law. The two-part test comprises proof of (1) ownership of a copyright and (2) copying. 3 Nimmer §13.01, p. 13-4.[6]

But further reading reveals that Nimmer's treatise elaborated on the content of the copying element:

> Just as copying is an essential element of infringement, so substantial similarity between plaintiff's and defendant's works is an essential element of copying. Yet the determination of the extent of similarity which will constitute a substantial and hence infringing similarity presents one of the most difficult questions in copyright law, and one which is the least susceptible of helpful generalizations.

3 Nimmer §13.03[A], p. 13-23.[7]

After describing two forms of similarity which satisfy the substantial similarity test[8], Nimmer cautions that even a finding of extended similarity does not complete the infringement analysis:

> To the extent that such similarity inheres in ideas, which are by definition unprotected, or in expression which is not proprietary to plaintiff, then an essential ingredient is lacking from plaintiff's prima facie case.

3 Nimmer §13.03[B][2], p. 13-52.

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[6] In fact, the Court in *Haines* cited a prior decision which, in stating the streamlined two-part test, relied on Nimmer's statement of the test. *Atari, Inc. v. North American Philips Consumer Electronics Corp.*, 672 F.2d. 607, 614 (7th Cir. 1982), *cert. denied,* 459 US 889 (1982).

[7] Further reading of *Atari* shows that there, too, the Court recognized that copying which does not involve copying of the protected expression does not satisfy the substantial similarity element of the infringement test. 672 F.2d. at 614-15.

[8] Nimmer describes "comprehensive nonliteral similarity" (duplication of the fundamental essence or structure, but without word-for-word copying) and "fragmented literal similarity" (virtual word-for-word copying, but only of a fragment of the copyrighted work. 3 Nimmer §13.03 [A][1], p. 13-24; §13.03[A][2], p.13-41.

And, even more pertinent to the present compilation of facts:

> Because no copyright may exist in facts per se, the copyright in a book dealing with factual matters cannot be infringed by a work that copies such facts, but in a manner in which the particular verbal description of such facts is not copied [citing this Court's *Harper & Row* decision, *supra*].

Id. at p. 13-56.

* * *

> Even if the defendant has copied from the plaintiff's copyrighted work, if the only material thus copied are those elements of plaintiff's work which are not protectable, then the resulting copy will not constitute an infringement.

Id. at §8.01[D], p. 8-20.

* * *

> Similarity which is not "substantial", even if due to copying, is a noninfringing use of the plaintiff's "ideas".

Id. at p. 8-22.2.

Summarizing these criteria, *amicus* IACRDP respectfully suggests that, once ownership of a valid copyright is proven, infringement is established by proof of (1) the act of copying, either by direct evidence or by indirect evidence showing access to the copyrighted work plus substantial similarity of the copyrighted and accused works, and (2) substantial similarity with respect to the protectable expression of the underlying idea, facts or concept.

As applied to a copyrighted compilation of facts, the substantial similarity must be with respect to the expression of those facts, *i.e.*, the selection, coordination and arrangement of the facts. Where, as here, the only similarity is in the facts, there is no "substantial" similarity and therefore no infringement.

CONCLUSION

Amicus IACRDP respectfully submits that the lower court judgment should be reversed and the scope of Illinois Bell's copyright in its alphabetical directory should be narrowly confined to the particular expression of the facts employed therein. Its copyrightable aspect so defined, the information contained in such directory could be freely used as a source for names, addresses and phone numbers for incorporation in subsequent works which, like Petitioner's cross-reference directories, express those facts in a way which is not substantially similar because of differences in the selection, coordination or arrangement thereof.

Respectfully submitted,

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